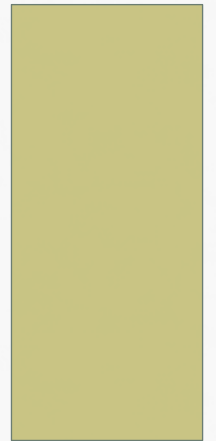


THE FUTURE OF INDIANA'S ROAD PROGRAM

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LOCAL ROAD NEEDS

- LTAP Needs Assessment for Local Roads and Streets
 - April 2009
 - \$5.4B needed to fix deficiencies of current system
 - Could be distributed over 5-10 years
 - \$858M needed annually for long term preservation

LOCAL ROAD NEEDS

- LTAP Survey
 - Based on a request by the Joint Study Committee
 - Survey results extrapolated to all counties, cities, towns
 - 12 year repaving cycle, 30 year concrete cycle
 - Findings:
 - \$137.9M annual cost for bridge rehab and construction
 - \$767M needed for annual pavement maintenance
 - \$138M for gravel road maintenance
 - \$354M for chip seal maintenance
 - \$220M for asphalt road repaving
 - \$55M for concrete reconstruction

LOCAL ROAD NEEDS

- Infrastructure Funding vs Need for MPO Regions
 - Included data for 39 urban and rural counties
 - Annual pavement funding shortfall is \$711M
 - Only 18% of annual maintenance/reconstruction needs are met
 - Annual bridge funding shortfall is \$225M
 - Only 21% of bridge needs can be met annually

Lifecycle Return in Years	Industry Standard	
		2010
Pavement Maintenance	4 yrs	27
Pavement Resurfacing	12 yrs	80
Pavement Reconstruction	25 yrs	167
Bridge Rehabilitation	12 yrs	57
Bridge Reconstruction	50 yrs	237

MAJOR PROJECT NEEDS

- MPO Report - \$8.9B for construction 2015-2025
- Conexus map – \$6.3b in unsecured costs for roads
- Future projects

STATE FUTURE PROJECTS

- I-69 Bridge over Ohio River
- I-69 sections 5 and 6
- Illiana
- US 31 next segments
- Three lanes on the interstate
- US 30 limited access
- And many more

CURRENT FUNDING - TRENDS

- Vehicle miles travelled declining
- Economic slowdown has decreased revenues
- Fuel efficiency increasing
- Alternative fueled vehicles on the rise

CURRENT FUNDING LEVELS

- State funding
 - FY11 fuel taxes were below those in FY04
 - 1¢ previously raised \$33M, now less than \$30M
 - State funds projected to continue decreasing
 - Major Moves ends
- Federal funding
 - MAP 21 passed this summer
 - FY13 funding = FY12, small inflationary increase in FY14
 - Relied on \$20B General Fund transfer
 - Projected Trust Fund balance is -\$6B in FY15

POLITICAL ENVIRONMENT

- Divided Congress
- “Fiscal Cliff”
- Spending is a bad word
- Multiple factions within the parties
- Possible supermajorities in Indiana legislature

ROAD FUNDING SOLUTIONS

- We have evaluated a variety of solutions
 - Taxes and fees
 - Funding vs. financing
 - Clean up our current road user funding
- Fundamental funding principles should be:
 - Adequate and predictable funding
 - User fee based funding
 - Clean up the current funding system
 - Road use fees should go to roads and streets

ROAD FUNDING SOLUTIONS

- Federal solutions?
- Joint Study Committee recap
- “Truth in Funding” concept
 - End diversions of fuel tax revenue
 - Sales taxes on fuels are road use fees and should go to roads
 - Road use fee for all vehicles regardless of fuel used
 - Keep taxes/fees current with inflation by indexing
 - Evaluate the wheel tax enactment process

WE NEED YOUR HELP

- We need to act now.
- Please share your needs with legislators.
- Explain your local efforts to meet needs.